

SINGLE FILING UNIT

Currently, Illinois counts family income using a Single Filing Unit policy for Title XXI whereby parents, stepparents and children of parents or stepparents are counted as one unit. Illinois proposes to count family income using Single Filing Unit policy for Title XIX. Under Title XIX policy, Medicaid requires that families be split into multiple cases so that income from children is not counted for a parent or sibling and stepparent income is not counted for stepchildren. This policy is generally referred to as prohibited deeming. It is burdensome to administer and difficult to explain to families, as demonstrated in the case progressions described below. Title XXI has no comparable restriction.

The creation of multiple cases as a result of prohibited deeming is difficult for families to understand. They wonder why one of their children is eligible for benefits and another child is not or why one child receives free medical benefits and another child receives medical benefits with cost sharing. Also, more than one case for a family results in the family receiving multiple medical cards with different case numbers on each card. Multiple cards are harder for the family to manage. These families also receive multiple notices when family situations change.

Prohibited deeming is also extremely difficult to administer. Caseworkers have to remember complex eligibility rules and calculate income several ways. Single Filing Unit policy would assure greater efficiency and accuracy in determining eligibility by all caseworkers. Another administrative burden with the current method is making sure that reported changes from one family are made on multiple cases.

With approval of Single Filing Unit policy under the waiver, Illinois will eliminate a major barrier to simplifying and streamlining its continuum of health care plans for families. This change will make it easier for families to understand the income counting rules for all KidCare plans. However, some individuals may be disadvantaged by this plan:

- T children with siblings who have countable income,
- T parents (including pregnant women) with children who have countable income,
- T children with stepparents who have countable income, and,
- T unmarried parents (including pregnant women) when the other parent has countable income.

CURRENT CASE PROGRESSION (WITH FAMILY SPLITTING)

A. Caretaker Relatives Who Are Not Pregnant

Calculation 1: Section 1931 Determination with Total Family Income.

- Step one: Income considered - Total family income.
- Step two: Deductions applied - \$90 for each employed adult, child care costs up to a cap, \$30 and 1/3, child support or alimony paid, and \$50 of child support received.
- Step three: Countable income compared to standard –
 - Section 1931 - AFDC/TANF Cash Payment Level (approx. 30% FPL).

If not eligible, go to Calculation 2.

Calculation 2: Medically Needy without Spend Down Determination with Total Family Income.

- Step one: Income considered - Total family income.

- Step two: Deductions applied - \$90 for each employed adult, child care costs up to a cap, \$30 and 1/3 only if income is below the Standard of Need, child support or alimony paid, and \$50 of child support received.
- Step three: Countable income compared to standard –
- Medically Needy – 133% AFDC/TANF Cash Payment Level (approx. 40% FPL).

If not eligible and no stepparent or sibling has income, go to Calculation 3. Otherwise go to Calculation 4.

Calculation 3: Medically Needy without Spend Down Determination with Total Family Income.

- Step one: Income considered – Total Family Income.
- Step two: Deductions applied - \$90 for each employed adult, child care costs up to a cap, \$30 and 1/3 only if income is below the Standard of Need, child support or alimony paid, \$50 of child support received, and medical expenses.
- Step three: Countable income for each case compared to standard –
- Medically Needy - 133% AFDC/TANF Cash Payment Level (approx. 40% FPL).

If not eligible, deny.

Calculation 4: Medically Needy without Spend Down Determination with Split Family Income.

- Step one: Income considered –Family income and family members are split into cases so that income from children is not considered toward a parent or stepparent, and stepparent income is not considered toward a stepchild.
- Step two: Deductions applied - \$90 for each employed adult, child care costs up to a cap, \$30 and 1/3 only if income is below the Standard of Need, child support or alimony paid, and \$50 of child support received.
- Step three: Countable income for each case compared to standard –
- Medically – Needy - 133% AFDC/TANF Cash Payment Level (approx. 40% FPL).

For family members not eligible, go to Calculation 5.

Calculation 5: Medically Needy with Spend Down Determination with Split Family Income.

- Step one: Income considered – Family income and family members are split into cases so that income from children is not considered toward a parent or stepparent, and stepparent income is not considered toward a stepchild.
- Step two: Deductions applied - \$90 for each employed adult, child care costs up to a cap, \$30 and 1/3 only if income is below the Standard of Need, child support or alimony paid, \$50 of child support received, and medical expenses.
- Step three: Countable income for each case compared to standard –
- Medically Needy - 133% AFDC/TANF Cash Payment Level (approx. 40% FPL).

If not eligible, deny.

B. Pregnant Women (regardless of age)

Calculation 1: Section 1931 Determination with Total Family Income.

- Step one: Income considered - Total family income unless stepparent of the pregnant woman is not applying.
- Step two: Deductions applied - \$90 for each employed adult, child care costs up to a cap, \$30 and 1/3, child support or alimony paid, and \$50 of child support received.
- Step three: Countable income compared to standard –
 - Section 1931 - AFDC/TANF Cash Payment Level (approx. 30% FPL).

If not eligible, go to Calculation 2.

Calculation 2: Poverty Related Pregnant Women Determination with Total Family Income.

- Step one: Income considered – Total family income.
- Step two: Deductions applied - \$90 for each employed adult, child care costs up to a cap, \$30 and 1/3 from income of spouse only if income is below the Standard of Need, \$30 and 1/3 from the earnings of the pregnant woman, even if above the Standard of Need, child support or alimony paid, and \$50 of child support received.
- Step three: Countable income for each case compared to standard –
 - Poverty Related Pregnant Women - 200% FPL

If not eligible and no stepparent or child has income go to Calculation 5. Otherwise go to Calculation 3.

Calculation 3: Poverty Related Pregnant Women Determination with Split Family Income.

- Step one: Income considered –Family income and family members are split into cases so that income from children is not considered toward a parent, stepparent, or sibling, and stepparent income is not considered toward a stepchild.
- Step two: Deductions applied - \$90 for each employed adult, child care costs up to a cap, \$30 and 1/3 from income of spouse only if income is below the Standard of Need, \$30 and 1/3 from the earnings of the pregnant woman, even if above the Standard of Need, child support or alimony paid, \$50 of child support received, and medical expenses.
- Step three: Countable income for each case compared to standard –
 - Poverty Related Pregnant Women - 200% FPL

If not eligible, go to Calculation 4.

Calculation 4: Medically Needy with Spend Down determination with Split Family Income.

- Step one: Income considered – Family income and family members are split into cases so that income from children is not considered toward a parent, stepparent, or sibling, and stepparent income is not considered toward a stepchild.
- Step two: Deductions applied - \$90 for each employed adult, child care costs up to a cap, \$30 and 1/3 only if income is below the Standard of Need, child support or alimony paid, \$50 of child support received, and medical expenses.
- Step three: Countable income for each case compared to standard –

- Medically Needy - 133% AFDC/TANF Cash Payment Level (approx. 40% FPL).

If not eligible, deny.

Calculation 5: Medically Needy with Spend Down determination with Total Family Income.

- Step one: Income considered – Total family income.
- Step two: Deductions applied - \$90 for each employed adult, child care costs up to a cap, \$30 and 1/3 only if income is below the Standard of Need, child support or alimony paid, \$50 of child support received, and medical expenses.
- Step three: Countable income for each case compared to standard –
 - Medically Needy - 133% AFDC/TANF Cash Payment Level (approx. 40% FPL).

If not eligible, deny.

C. Persons Under 19 Who Are Not Pregnant

Calculation 1: Section 1931 Determination with Total Family Income.

- Step one: Income considered - Total family income unless stepparent is not applying for benefits.
- Step two: Deductions applied - \$90 for each employed adult, child care costs up to a cap, \$30 and 1/3, child support or alimony paid, and \$50 of child support received.
- Step three: Countable income compared to standard –
 - Section 1931 - AFDC/TANF Cash Payment Level (approx. 30% FPL).

If not eligible, go to Calculation 2:

Calculation 2: Poverty Related Children Determination with Total Family Income.

- Step one: Income considered – Total family income.
- Step two: Deductions applied - \$90 for each employed adult, child care costs up to a cap, \$30 and 1/3 only if income is below the Standard of Need, child support or alimony paid, and \$50 of child support received.
- Step three: Countable income for each case compared to standard –
 - Poverty Related Children - 133% FPL

If not eligible and no stepparent or sibling has income, go to Calculation 4 if applying in DHS local offices or Calculation 6 if applying through a mail-in application. Otherwise go to Calculation 3.

Calculation 3: Poverty Related Children Determination with Split Family Income.

- Step one: Income considered – Family income and family members are split into cases so that income from children is not considered toward a parent, stepparent, or sibling, and stepparent income is not considered toward a stepchild.
- Step two: Deductions applied - \$90 for each employed adult, child care costs up to a cap, \$30 and 1/3 if income is below the Standard of Need, child support or alimony paid, and \$50 of child support received.
- Step three: Countable income for each case compared to standard –
 - Poverty Related Children - 133% FPL

For family members not eligible, go to Calculation 5 if applying in DHS local offices or Calculation 6 if applying through a mail-in application.

Calculation 4: Medically Needy with Spend Down determination with Total Family Income.

- Step one: Income considered - Total family income unless stepparent is not applying for benefits.
- Step two: Deductions applied - \$90 for each employed adult, child care costs up to a cap, \$30 and 1/3 if income is below the Standard of Need, child support or alimony paid, \$50 of child support received, and medical expenses.
- Step three: Countable income compared to standard –
 - Medically Needy – 133% AFDC/TANF Cash Payment Level (approx. 40% FPL).

For family members not eligible, go to Calculation 6.

Calculation 5: Medically Needy with Spend Down determination with Split Family Income.

- Step one: Income considered – Family income and family members are split into cases so that income from children is not considered toward a parent, stepparent, or sibling, and stepparent income is not considered toward a stepchild.
- Step two: Deductions applied - \$90 for each employed adult, child care costs up to a cap, \$30 and 1/3 only if income is less than the Standard of Need, child support or alimony paid, \$50 of child support received, and medical expenses.
- Step three: Countable income for each case compared to standard –
 - Medically Needy - 133% AFDC/TANF Cash Payment Level (approx. 40% FPL).

For family members not eligible, go to Calculation 6.

Calculation 6: SCHIP determination with Total Family Income.

- Step one: Income considered - Total family income.
- Step two: Deductions applied - \$90 for each employed adult, child care costs up to a cap, child support or alimony paid, and \$50 of child support received.
- Step three: Countable income compared to standard –
 - SCHIP Children - 185% FPL

If not eligible, deny.

PROPOSED SIMPLIFIED CASE PROGRESSION (WITH SINGLE FILING UNIT)

A. For Parents and Children including Pregnant Women and Children

Calculation 1: Without Spend Down Determinations with Total Family Income.

- Step one: Income considered - Total family income.
- Step two: Deductions applied - \$90 for each employed adult, child care costs up to a cap, child support or alimony paid, and \$50 of child support received.

- Step three: Countable income compared to standard –
- Section 1931 - AFDC/TANF Cash Payment Level (approx. 30% FPL).
 - Medically Needy – 133% AFDC/TANF Cash Payment Level (approx. 40% FPL). (for non-pregnant adults only)
 - Poverty Related Children – 133% FPL
 - SCHIP Children – 185% FPL
 - Parent HIFA Waiver – 185% FPL
 - Pregnant Women – 200% FPL

If not eligible and applying in DHS local offices, go to Calculation 2. If not eligible and applying through a mail-in application, deny.

Calculation 2: Medically Needy with Spend Down Determination with Total Family Income.

- Step one: Income considered – Total family income.
- Step two: Deductions applied - \$90 for each employed adult, child care costs up to a cap, child support or alimony paid, \$50 of child support received, and medical expenses.
- Step three: Countable income for each case compared to standard –
- Medically Needy - 133% AFDC/TANF Cash Payment Level (approx. 40% FPL).

If not eligible, deny.